

## **Key Issues Influencing Trade Negotiations: Market Access, Internal Support, and Export Competition**

P. Lynn Kennedy<sup>1</sup>

*Abstract:* The Uruguay Round Agriculture Agreement created a system in which agricultural trade is subjected to the same rules that discipline trade in industrial goods. WTO members committed to reduce agricultural tariffs, export subsidies, and domestic support. This paper considers the impact of the Uruguay Round Agreement from the perspective of Market Access, Internal Support, and Export Competition. The positions of various countries and potential outcomes and implications for the current round of WTO negotiations are reviewed with respect to agriculture.

---

<sup>1</sup> Kennedy is William H. Alexander Regents Professor, Department of Agricultural Economics and Agribusiness, Louisiana State University AgCenter. Paper prepared for presentation at the Agricultural Competitiveness and World Trade Liberalization conference, Fargo, ND, May 29-30, 2003.

## **Introduction**

Prior to 1995 the General Agreement on Tariffs and Trade had little impact on agricultural trade. The levels of trade liberalization seen in other sectors was not achieved in agriculture. This changed with the Uruguay Round Agreement on Agriculture. Agriculture is now an integral part of the World Trade Organization. WTO member countries have agreed to discipline agricultural support within a framework that allows each country to pursue its own individual policy objectives.

In addition to bringing agriculture into the GATT, member countries committed themselves in the Uruguay Round to begin negotiations for the continuation of the reform process in late 1999. This new round of multilateral trade negotiations is now well underway. Given the number of countries and differing viewpoints involved, this trade reform process will undoubtedly be difficult and lengthy.

This paper provide an overview of the “state of the agreement” in order to provide a background regarding what has been achieved and how successful these reforms have been. It will also provide an overview of the main positions that have been put forward for continuation of the reform process, given the complexities and differing viewpoints involved in these negotiations. The paper will then address several issues that should be considered if the agreement is to be refined and improved as it seeks to achieve substantial reductions in tariffs, domestic support, and export subsidies.

## **Accomplishments of the Uruguay Round**

The Uruguay Round Agricultural Agreement bound protection levels and set forward commitments for their reduction. This was accomplished in three basic areas: market access, export competition, and domestic support.

### *Market Access*

In the area of Market Access, non-tariff border measures were converted to tariffs. In addition, all tariffs were bound. The agreement reduced tariffs by an average of 36% over six years from a 1986-88 base, with a minimum reduction of 15% per tariff line. The required reductions were 24% over ten years for developing countries.

The agreement established rules for the application of additional (safeguard) duties if imports surge or if world prices fall below preset trigger price levels for goods subject to tariffication. Minimum access commitments were created as a share of domestic consumption for products subject to tariffication.

### *Export Competition*

With respect to export competition, the Agreement banned new export subsidies and introduced constraints on existing subsidies. To accomplish this, the Agreement called for a reduction in budget expenditures for export subsidies by 36 percent (21 percent by volume), over a six-year implementation period. Developing countries were required to reduce budget expenditures by 24% (14% by volume), over a ten-year implementation period.

### *Domestic Support*

The Uruguay Round Agreement on Agriculture (URAA) established bindings in the area of domestic agricultural support through the Aggregate Measure of Support (AMS). Reduction commitments apply to all domestic support measures that support agricultural producers and are considered to distort potential trade flows. Member's are considered to be in compliance with their domestic support reduction commitments in any year in which current domestic support does not exceed the corresponding annual or final bound commitment level specified in the member's schedule of commitments. The agreement does, however, make several notable exceptions of measures that are not subject to reduction.

### *Amber Box Provisions*

Members are not required to include in the calculation of their AMS or reduce 1) product-specific domestic support that does not exceed 5 percent of that Member's total value of production of a basic agricultural product during the relevant year; and 2) non-product-specific domestic support that does not exceed 5 percent of the value of that Member's total agricultural production. For developing countries, this *de minimis* percentage is 10 percent.

In calculating the base AMS estimates of product-specific support, countries had the option of calculating market price support. Market price support was defined as a price wedge multiplied times the total quantity produced. The price wedge for each commodity was the difference between an applied administered price and an import price (cost, insurance, and freight included—cif). The applied administered price was defined as a government purchase price or as a minimum price in a price stabilization band. In some cases (e.g., Japan) the market price support did not directly reflect

government expenditure levels, as when the price-enhancing effect of government purchases of a fraction of a crop, or pledges to keep prices from falling below a minimum price, was interpreted as being received by all production.

#### *Blue Box Provisions*

Countries are not required to reduce direct payments under production-limiting programs if the payments are based on fixed area and yields; made on 85 per cent or less of the base level of production; or are livestock payments based on a fixed number of head. Domestic support meeting these criteria is not used in a country's AMS calculation.

#### *Green Box Provisions*

The Green Box is that category of domestic support measures for which exemption from reduction commitments is claimed. Support measures in this category have no, or at most minimal, trade-distorting effects or effects on production. Measures for which exemption is claimed must meet the following basic criteria: 1) the support is provided through a publicly-funded government program not involving transfers from consumers and 2) the support does not have the effect of supporting producer prices. In addition, the following government programs can be categorized as green box policies: 1) general services; 2) public stockholding for food security purposes; 3) domestic food aid; 4) direct payments to producers; 5) decoupled income support; 6) government financial participation in income insurance and income safety-net programs; 7) payments for relief from natural disasters; 8) structural adjustment assistance provided through i) producer retirement programs; ii) resource retirement programs; and iii) investment aids; 9) payments under environmental programs; 10) payments under regional assistance programs. The Due Restraint provision specifies that domestic

support measures that fully conform to the Green Box provisions are non-actionable subsidies and are exempt from a variety of actions, including countervailing duties.

### *Developing Country Provisions*

Government assistance to encourage agricultural and rural development are an integral part of the development programs of developing countries. For developing countries, investment subsidies that are available to agriculture and agricultural input subsidies available to low-income or resource-poor producers are exempt from domestic support reduction. In addition, domestic support given to producers to encourage diversification from growing illicit narcotic crops are exempt from domestic support reduction.

### **The Evidence Since the Uruguay Round**

In meeting their AMS commitment levels as agreed to in the URAA, members of the WTO were required to provide notification to the WTO Committee on Agriculture of expenditures on agricultural support. Total AMS commitments and current totals are shown for selected countries in Table 1. In addition, the use of total AMS commitments for selected members is shown in Table 2. With a few exceptions, member countries have adjusted their domestic support policies in order to comply with the agreement. Of the Cairns Group countries<sup>2</sup>, only South Africa (97%) and Thailand (79%) were close to the limit on expenditures in 1997; Australia was at 25%, while Costa Rica and New Zealand were providing no support at all through amber box policies. On the other hand, the position of Argentina in 1995 and 1996 must be somewhat disconcerting to the Group in view of its

---

<sup>2</sup> The Cairns Group consists of Argentina, Australia, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Fiji, Guatemala, Indonesia, Malaysia, New Zealand, Paraguay, Philippines, South Africa, Thailand and Uruguay.

support for the AMS commitment and in view of its current negotiating proposal. The corresponding figure for the European Union (average of 1995 and 1996) is 65%, for Japan (average of 1995, 1996 and 1997) it is 72%, and for the United States (average of 1995, 1996 and 1997) it is 27%.

In addition to reducing their AMS levels, countries have been able to meet their URAA commitments by shifting domestic support from non-exempt to exempt categories. The composition of domestic support by category is presented for selected countries in Table 3. The structure of support ranges from New Zealand with all of its support in the green box category to the European Union with less than 25% of its support in the green box. Table 3 also shows a consistent trend in shifting domestic support away from the non-exempt categories into the exempt green and blue boxes.

During this transition period there have also been a number of developments taking place within individual countries, resulting in modifications of domestic agricultural policy. A portion of this was in response to the URAA while other changes were the result of other internal factors. Many of these new developments have implications for the current round of negotiations. The following discussion reviews agricultural policy changes that have occurred in the European Union and the United States.

### **Effectiveness of the Current Agreement**

The events that have unfolded since the URAA have caused concern for many countries. Not only has support for the agricultural sectors of the main developed countries returned to the high levels occurring at the beginning of the Uruguay Round but the dispersion of that support, as measured on an individual commodity basis by PSEs, has not diminished. There remain some key sectors, such as dairy and sugar, where adjustments to less production/trade distorting outcomes have yet to take place. In

these areas, domestic producer/consumer price wedges with respect to international prices remain relatively large.

The effectiveness of the URAA can best be evaluated through its ability and potential to reduce actual market distorting domestic support. While the current system has resulted in a shift from non-exempt toward exempt domestic support, it does not ensure that market distorting support is reduced. Countries have the latitude to provide a wide spectrum of domestic support under the provisions of the green and blue box categories as well as under the *de minimis* provisions. In fact, domestic support levels in the European Union and the United States were as high in the late nineties as those in the 1986-88 base period.

A number of factors influence the effectiveness of the URAA. For example, payments exempt under the green and blue box provisions cover a broad range of support measures. This leaves very few forms of subsidies for reduction under the amber box classification. Some argue that this is a weakness of the current agreement, while others maintain that the shift from amber box to green and blue box measures is evidence of its success. In addition, blue box policies are still characterized as market distorting while green box policies, determined using the current criteria, can result in distortions.

Another interesting development is that several countries have been able to meet their URAA obligations by shifting support to exempt status. As a result, some countries have been able to meet their commitments without reducing their support. At the same time, the Aggregate Measure of Support is not determined on a commodity-specific basis. This allows countries to shift support for less-protected commodities to exempt status, leaving the remaining commodities to be supported using

the entire AMS. As a result, countries can leave price support for highly protected commodities virtually unchanged.

Another issue is that the *de minimis* provisions are applied on both a commodity-specific and aggregate basis. Providing exemptions in this manner creates the potential for the continued support of individual commodities at high levels.

Questions arise given that price support is based on the domestic administered support price and a fixed external reference price. The domestic administered support price may be a poor proxy for the internal market price while the fixed external reference price does not represent the actual border price. This brings into question the measures of price support as defined by the agreement.

Another important point is that the agreement does not provide specific criteria in determining a country's development status. An additional issue related to the lack of clear definitions or rigorous criteria involves the specificity regarding which policies qualify as green box.

### **Issues for the Current Negotiations**

The perceived areas of ineffectiveness in the Uruguay Round agreement can be used to identify areas for progress in the next agreement. By focusing on events that have taken place since the URAA, several potential areas for progress can be identified. These issues include the tradeoff between market orientation and other concerns; reductions in the aggregate measure of support; definition and criteria for exempt policies; limits on green box subsidies; the role of the blue box; the role of the peace clause; incorporating criteria that considers inflation/exchange rates; the role of *de minimis* provisions; the role of special and differential treatment; and the use of aggregate versus commodity-specific AMS.

### *Market Orientation Versus Other Concerns*

One of the challenges for the next agreement involves the identification of ways to reduce trade-distorting domestic policies while providing countries with the flexibility to achieve important societal goals. The urgency of this issue will increase as the amount of support allowed within the amber and blue boxes declines. Criteria must be identified that provide clear details of acceptable minimal-trade-distorting domestic policy measures that allow countries to pursue important societal objectives, such as those in the areas of the environmental standards, rural development, and poverty alleviation.

### *Reductions in the Aggregate Measure of Support*

The URAA placed and reduced limits on individual countries' AMS, resulting in a final, bound support level. An issue for the next round will be whether to use the final, bound support level or some other value related to current protection as the new base. In addition, negotiators should consider the method of reductions. Should support be reduced *by* a certain amount or *to* a certain amount? Reducing support by a certain amount provides advantages to those countries with currently high levels of support. Reducing support to a certain amount would result in a more level playing field among countries.

### *Definition and Criteria for the Exempt Policies*

During the time since the URAA was reached, a number of countries have shifted significant portions of their domestic support from non-exempt categories into the green and blue boxes, groupings that are currently exempt from reduction. One issue related to this involves whether all domestic policies currently categorized as exempt truly fits the criteria of the current agreement. The next

agreement may seek more specific policy criteria to determine the status of domestic support.

Specifically, the issue of decoupled payments must be addressed and appropriate criteria developed.

#### *Limits on Green Box Subsidies*

The URAA placed no limits on the level of support or the total amount of expenditures that could be provided within the green box framework. Several countries have called for limits in this category. While the question of limiting green box expenditures may be a contentious issue, an area of compromise could involve criteria that better specifies which policies constitute no, or at most minimal, trade-distorting effects or effects on production.

#### *Role/Existence of Blue Box*

Direct payments under certain production-limiting criteria are not used in AMS calculations and are currently exempt from reductions. Some argue that the purpose of the blue box was transitional and should be phased out, thus encouraging countries to adopt measures that fit the green box criteria. Related issues concerning the blue box involve whether it should be eliminated and at what rate.

#### *Peace Clause*

The peace clause provides incentive for countries to shift domestic policy instruments toward the green box category in order to eliminate the threat of countervailing duties and other retaliatory actions. One question to ask concerning the future of the peace clause involves the form it should take to encourage the greatest shift toward qualifying support. Should it be of limited duration or permanent? Should it only cover green box policies or include other support? If the peace clause is allowed to expire it would eliminate much of the incentive to shift from non-qualifying to qualifying support

categories. The outcome concerning the peace clause and its optimal form is dependent on changes that take place with respect to the various categories of support.

#### *Adjustments for Inflation/Exchange Rates*

AMS commitments and levels are reported in nominal terms. Because of this, high levels of inflation or fluctuations in the exchange rate will create distortions when evaluating support levels. Negotiators should consider the development of criteria that account for inflation or exchange rate fluctuations in determining a country's AMS level.

#### *De Minimis Provisions*

The current *de minimis* rules specify allowable levels of support for developed and developing countries. Negotiators will likely consider whether exemptions under the *de minimis* provisions should be retained. If these provisions are kept, the next logical progression is to determine by what amount or to what amount the *de minimis* will be reduced. On the other hand, some countries have proposed that developing countries be allowed to increase their exempt level provided under the *de minimis* provisions.

#### *Special and Differential Treatment*

Developing countries have been afforded special and differential treatment under the URAA. These include a smaller commitment reduction requirements, higher *de minimis* levels, and a longer implementation period. The continuation of Special and Differential Treatment seems likely. In addition to determining the type of Special and Differential Treatment that will be granted, the next round should develop specific criteria as to which members qualify as developing countries. The question has also been raised concerning the provision of Special and Differential Treatment to transition economies.

### *Aggregate or Commodity-Specific AMS*

As the agreement currently exists, countries have the flexibility to adjust the level of support among commodities, provided the aggregate AMS does not exceed its commitment. Setting AMS limits on a commodity-specific basis would increase the discipline of the agreement.

### **Issues for the Current Negotiations**

As part of the process to achieve “substantial progressive reductions in support and protection resulting from fundamental reform” individual countries have set forward their proposals and have attempted to set “modalities” or targets for achieving the objectives of the Doha Ministerial Declaration. These modalities will be used by the members to produce their comprehensive draft commitments. This is to be accomplished by the Fifth Ministerial Conference, to be held in Cancun, Mexico, September 10 – 14, 2003.

From the proposals set forward to this point it is clear that a spectrum of positions are held by the member countries. The following sections presents several of these positions.

### *Proposals for Tariff Reductions*

Tariff reductions can occur as an average reduction over all products, similar to the method used in the Uruguay Round. This is known as the Uruguay Round approach. Other proposals call for a flat rate reduction for all products (Swiss Formula), with additional reduction on larger tariff lines, expanding quotas, and special considerations for developing countries. It has been pointed out that Uruguay supports the Swiss Formula, while Switzerland favors the Uruguay Round approach.

### *Proposals for Amber Box Support*

Proposals for modifications to the Amber Box range from no change to eventual elimination. Some of the proposals call for the use of steeper cuts on higher levels of support, with disaggregation according to products. Others raise the issue that the amber box support should be tied to inflation, while others raise the question that domestic support, in certain instances, can have the same effect as export subsidies. Several proposals suggest that developing and transition economies should be allowed higher levels of amber box support while the levels of amber box support permitted for developed countries should be lowered or eliminated.

### *Proposals for Green Box*

One group supports maintaining the Green Box as a set of measures that do not distort trade or are minimally trade distorting, while others support limitations on Green Box spending. Other proposals would permit additional programs that allow for cost reimbursement for protection of animal welfare and flexibility for developing countries (food security, poverty alleviation). Others advocate the retention of the green box but that the base periods be updated for decoupled income support, change threshold levels for income insurance, safety net programs, and relief from natural disasters. Many argue that better criteria be clearly defined to determine if a policy is “trade-distorting” and qualifies for the green box.

### *Proposals for Blue Box*

One group of proposals supports maintaining the Blue Box. Their rationale is that it distorts less than Amber Box and makes reforms easier to accomplish. Others favor the elimination of the Blue Box. A timetable for its elimination has been put forward, calling for an elimination over 5 years for

developed countries, and over 9 years for developing countries. Those calling for its elimination see it as an interim or transitional measure to help subsidize the move away from Amber box policies.

#### *Proposals for de minimus*

De minimus is a means to provide a minimum protection level amongst commodities, regardless of the level of the countries support classified in any of the boxes. One of the proposals for de minimus involves a 50% down payment, or immediate halving of support, with the elimination of subsidies in three years. An additional proposal is the same as the first, but would provide developing countries with more time for the elimination of subsidies.

#### *Proposals for Developing Countries*

One of the issues that members seem to agree on is that some type of Development/ Transition box be utilized to aid these countries in the development process. Most members also agree that Special and Differential Treatment should continue to be used as a means to encourage economic growth in developing countries.

#### **Summary**

The URAA was successful in encouraging countries to limit and reduce the use of tariffs and export subsidies while shifting domestic support away from the trade-distorting amber box toward the less distorting blue and green boxes. While this shift can be viewed as a successful accomplishment, several concerns have been raised regarding the criteria used to classify domestic policies as having minimal trade-distorting effects or effects on production. The evaluation of the successes of the agreement versus its inadequacies provides several useful insights for the development of the next agreement.

One insight that can be gleaned from the previous agreement is that a self-enforcing framework can be established that encourages countries to adopt less trade-distorting policies. The URAA accomplished this by making less trade-distorting support exempt from countervailing duties and other retaliatory measures. This existence of exempt and non-exempt boxes combined with a peace clause of limited duration created incentive for domestic support reform in many countries. Negotiators and policy-analysts should consider this as they structure the next agreement.

An additional insight to be gained from the previous agreement involves the need for well-defined criteria. Specific definitions must be developed that clearly detail which domestic support policies should be categorized in which domestic support box. This will be necessary regardless of the classification structure, be it green, blue, amber, or development boxes or simply exempt and non-exempt.

Clarification is a theme that pervades the various country proposals. For example, a number of countries wish to revisit and clarify the green box criteria. As additional concerns are addressed or exemptions provided, specific criteria must be developed regarding allowable policies or eligible countries. In the current round of negotiations a number of potential situations exist where this will be important. For example, in the creation of a development box, what types of policies are eligible? What criteria must a country meet to be eligible? Questions of this type must be answered and appropriate criteria developed to avoid the uncertainty and finger-pointing that are associated with inadequate rules.

The current round will deal with several critical questions that go beyond the simple “how much should protection be reduced.” Among these are concerns as to the structure to be adopted for the

discipline categories; the type of development box to be established and whether a transition box should be established; whether AMS commitments should be on an aggregated or disaggregated level; how the issue of multifunctional policies should be dealt with; whether allowable protection should be adjusted for inflation or exchange rates; and whether the use of de minimis should continue and if so, at what level. If the ultimate objective is to achieve free trade, the next agreement must deal with these concerns in a manner that encourages countries to discontinue the use of trade-distorting policies.

## References

Brink, L. (2000). Domestic Support issues in the Uruguay Round and Beyond: Domestic Support Policies, Agriculture and Agri-Food Canada, Foreign Agri-Food Analysis Division, Economic and Policy Analysis Directorate, Policy Branch, Publication 2021/E. Ottawa, ON, July 2000.

Dixit, P., T. Josling, and D. Blandford, "Agriculture in the WTO: The Current WTO Agricultural Negotiations: Options for Progress," International Agricultural Trade Research Consortium Commissioned Paper Number 18, St. Paul, MN, November 2001.

European Commission (2000). The Common Agricultural Policy: 1999 Review, Directorate-General for Agriculture, Document on Internet: [http://europa.eu.int/comm/agriculture/publi/review99/full\\_en.pdf](http://europa.eu.int/comm/agriculture/publi/review99/full_en.pdf), Luxembourg, February 2000.

European Commission (2001). EU Agriculture and the WTO, Directorate-General for Agriculture, Document on Internet: <http://europa.eu.int/comm/agriculture/external/wto/document/fswtoen.pdf>, Brussels, January 2001.

European Commission (2000). Impact Analyses of Agenda 2000 Decisions for CAP Reform: Overview, Directorate-General for Agriculture, Document on Internet: [http://europa.eu.int/comm/agriculture/publi/caprep/impact/imp\\_en.pdf](http://europa.eu.int/comm/agriculture/publi/caprep/impact/imp_en.pdf), Brussels, February 2000.

Kennedy, P.L., L. Brink, J. Dyck, and D. MacLaren, "Domestic Support: Issues and Options in the Agricultural Negotiations," International Agricultural Trade Research Consortium Commissioned Paper Number 16, St. Paul, MN, May 2001.

Meilke, K., M. Burfisher, J. Rude, and M. Bredahl, "Agriculture in the WTO: Market Access: Issues and Options in the Agricultural Negotiations," International Agricultural Trade Research Consortium Commissioned Paper Number 14, St. Paul, MN, May 2001.

Nelson, F.J., and L.P. Schertz (1996). Provisions of the Federal Agriculture Improvement and Reform Act of 1996, United States Department of Agriculture, Economic Research Service, Agricultural Information Bulletin No. 729, Washington D.C., September 1996.

Normile, M.A. (1998). Agriculture in the WTO, United States Department of Agriculture, Economic Research Service, WRS-98-4, Washington D.C., December 1998.

Nelson, F., E. Young, P. Leapis, and R. Schnepf (1999). World Trade Organization Issues for Economic Research, United States Department of Agriculture, Economic Research Service, ERS's WTO Briefing Room, Document on Internet: <http://www.ers.usda.gov/briefing/wto/issues/domestic.htm> January 1999.

Organization for Economic Cooperation and Development (OECD) (2000). *Agricultural Policies in OECD Countries: Monitoring and Evaluation*, Paris.

Roberts, I., T. Podbury, and M. Hinchy (2001). *Reforming Domestic Agricultural Support Policies through the World Trade Organization*, Australian Bureau of Agricultural and Resource Economics, ABARE Research Report 01.2, RIRDC Publication no. 01/07, Canberra, February 2001.

World Trade Organization (2000). *Domestic Support: Background Paper by the Secretariat, Corrigendum*, World Trade Organization, Committee on Agriculture, Special Session, 25 April 2000, G/AG/NG/S/1/Corr.1.

World Trade Organization (2000). *Domestic Support: Background Paper by the Secretariat*, World Trade Organization, Committee on Agriculture, Special Session, 13 April 2000, G/AG/NG/S/1.

World Trade Organization (2000 – Present). *Agreement on Agriculture: Proposals Submitted by Various Members*, World Trade Organization, Committee on Agriculture.

World Trade Organization (2002). *WTO Agriculture Negotiations—The Issues, and Where We Are Now*, World Trade Organization, Information and Media Relations Division of the WTO Secretariat, 22 October 2002.

Young, L., P. Abbott, and S. Leetmaa, “Agriculture in the WTO: Export Competition: Issues and Options in the Agricultural Negotiations,” *International Agricultural Trade Research Consortium Commissioned Paper Number 15*, St. Paul, MN, May 2001.

**Table 1: Total Aggregate Measurement of Support (AMS) Commitments by Member, 1995-99**

Member	Currency	1995		1996		1997		1998		1999	
		Total AMS Commitment Level	Current Total AMS	Total AMS Commitment Level	Current Total AMS	Total AMS Commitment Level	Current Total AMS	Total AMS Commitment Level	Current Total AMS	Total AMS Commitment Level	Current Total AMS
Argentina	US\$	85378903.34	122779312	84228057.68	84142109	83077212.01		81926366.35		80775520.7	
Australia	\$A million	570.16	151.72	550.5	144.19	530.84	131.62	511.18	119.71	491.52	
Brazil	US\$ '000	1039125.79	295032.98	1025012.39	363284.3	1010898.98	306844.7	996785.58		982672.17	
Canada	Can\$ million	5197	777	5017	618.7	4838		4659		4480	
Colombia	US\$ '000	392465	58109	387165	3961	381858	14393	376555		371251	
Costa Rica	US\$ '000	18153	0	17908	0	17663	0	17417		17172	
Cyprus	£C million	57.6	36.5	56.8	35.5	56.1	25.5	55.3	21.8	54.5	
Czech Republic	Kč million	16446.97	1152.49	15879.84	1688.74	15312.71	1053.86	14745.58	1012.98	14178.45	
EC	ECU billion	78.67	50.03	76.37	51	74.07		71.76		69.46	
Hungary	Ft million	40851	20949	39443		38034		36625		35217	
Iceland	SDR million	157.2	123.69	151.8	108.1	146.4	108.6	140.9	250.3	135.5	
Israel	US\$ '000	645490	461385	636996	501273	628494	524226	619992		611490	
Japan	¥ billion	4800.6	3507.5	4635	3329.7	4469.5	3170.8	4304		4138.4	
Korea	W billion	2182.55	2075.44	2105.6	1967.36	2028.65	1936.95	1951.70	1562.77	1874.75	
Mexico	Mex\$ 1991 million	28622.3	1364.66	28237.8		27853.2		27468.6		27084	
Morocco	DH million	779	94	769	250	758	91	748		737	
New Zealand	NZ\$ million	348.30	0	336.29	0	324.28	0	312.27	0	300.26	
Norway	NOK million	13834	9786	13357	10529	12880	10526	12403	10886	11926	
Poland	US\$ million	4022	254.5	3883	226.5	3745	295.8	3606	300.6	3457	
Slovak Republic	Sk million	12252.5	7110.5	11830	6981.8	11407.5	8290.4	10985	7710	10562.5	
Slovenia	ECU '000	74730.18	69921.08	72153.28	69239.13	69576.38	69086.07	66999.48	65990.79	64422.58	
South Africa	R million	2435.3	1640.33	2351.3	1938.2	2267.4	2198.3	2183.4		2099.4	
Switz.-Liech.	Sw F million	5143	4286.6	4966	3663.1	4789	3445.1	4611	3273	4434	
Thailand	B million	21816.41	15773.25	21506.64	12932.47	21196.87	16756.58	20887.10	16402.10	20577.33	
United States	US\$ million	23083.14	6213.86	22287.17	5897.66	21491.2	6238.4	20695.2		19899.3	
Venezuela	US\$ '000	1287221	541784.05	1269826	331261	1252431	456549	1235036		1217642	

Source: World Trade Organization (2000) G/AG/NG/S/1.

**Table 2: Use of Total Aggregate Measurement of Support (AMS) Commitments by Member, 1995-98 (Percentage)**

<b>Member</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>
Argentina	144	100		
Australia	27	26	25	23
Brazil	28	35	30	
Canada	15	12		
Colombia	15	1	4	
Costa Rica	0	0	0	
Cyprus	63	62	45	39
Czech Republic	7	11	7	7
EC	64	67		
Hungary	51			
Iceland	79	71	74	178
Israel	72	79	83	
Japan	73	72	71	
Korea	95	91	95	80
Mexico	5			
Morocco	12	32	12	
New Zealand	0	0	0	0
Norway	71	79	82	88
Poland	6	6	8	8
Slovak Republic	58	59	73	70
Slovenia	94	96	99	98
South Africa	67	82	97	
Switz-Liech.	83	74	72	71
Thailand	72	60	79	78
Tunisia	87	77	81	94
United States	27	26	29	
Venezuela	42	26	36	

Notes: The figures in this table represent notified Current Total AMS as a percentage of the Total AMS commitment levels for the respective implementation years.

Source: World Trade Organization (2000) G/AG/NG/S/1.

**Table 3: Domestic Support by Category, 1995-97 (Percentage)**

Country	-----Base-----				-----1995-----				-----1996-----				-----1997-----			
	DS:1	DS:2	DS:3	DS:4+	DS:1	DS:2	DS:3	DS:4+	DS:1	DS:2	DS:3	DS:4+	DS:1	DS:2	DS:3	DS:4+
<b>Australia</b>	60.85	0	0	39.15	85.99	0	0	13.45	90.35	0	0	9.65	91.18	0	0	8.82
<b>Brazil</b>	73.36	8.6	0	18.05	88.19	6.48	0	2.33	80.46	8.31	0	11.23	85.47	6.95	0	7.58
<b>Canada</b>	22.9	0	0	77.1	50.77	0	0	49.23	53.12	0	0	46.88				
<b>EC</b>	11.14	0	0	88.86	20.81	0	23.1	56.08	23.27	0	22.62	54.11				
<b>Japan</b>	30.78	0	0	69.23	47.2	0	0	52.8	45.56	0	0	54.38	45.23	0	0	54.77
<b>Korea</b>	42.74	0.3	0	56.96	62.66	0.32	0	37.02	68.89	0.41	0	30.7	68.89	0.45	0	30.66
<b>Mexico</b>	0	0	0	100	60.14	23.82	0	16.05								
<b>New Zealand</b>	25.5	0	0	74.5	100	0	0	0	100	0	0	0	100	0	0	0
<b>United States</b>	48.62	0	0	51.38	75.77	0	11.57	12.67	88.02	0	0	11.98	87.92	0	0	12.08

Source: World Trade Organization (2000) G/AG/NG/S/1 and World Trade Organization (2000) G/AG/NG/S/1/Corr.1.

Notes: DS:1 signifies measures which members have placed in the Green Box of measures exempt from reduction.  
 DS:2 signifies those measures that, for developing countries, are exempt from reduction commitments.  
 DS:3 signifies direct payments under production-limiting programs (Blue Box).  
 DS:4+ signifies measures that do not fit into the exempt categories as set out above.

**Table 4: Level of Support for Various Issues as Indicated in WTO Position Papers.**

ISSUES	-----Level of Support-----		
	Low*	Moderate**	High***
<u>Green Box</u>			
No Cap	(8 of 21)		X
Cap and Reduce	(4 of 21)	X	
Review Effects	(10 of 21)		X
<u>Blue Box</u>			
Maintain	(5 of 21)	X	
Cap and Reduce	(8 of 21)		X
Eliminate	(5 of 21)	X	
<u>Amber Box</u>			
AMS Reduced	(10 of 21)		X
Eliminate	(3 of 21)	X	
Disaggregate Commitments	(3 of 21)	X	
<u>One General Subsidies Box</u>	(1 of 21)	X	
<u>Development Box</u>			
Should Exist	(17 of 21)		X
Developing Country <i>de minimis</i>	(7 of 21)	X	

\* Low indicates support from 0 to 33.33% of positions submitted.

\*\* Moderate indicates support from 33.34 to 66.66% of positions submitted.

\*\*\* High indicates support from 66.67 to 100% of positions submitted.